

Message Text

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FM SECSTATE WASHDC

TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

AMCONSUL NAHA

AMEMBASSY MOSCOW

INFO CINCPAC HONOLULU

COGARD

GOVGUAM

TREASURY

XMT AMEMBASSY RANGOON

UNCLAS STATE 051787

E.O. 11652: N/A

TAGS:PFOR, XC, US

SUBJECT: MARCH 4 EA PRESS SUMMARY

, CHINA

NESSEN SAYS NIXON, OR AIDE, CALLED WH "FUNCTIONARY" LATE MONDAY NIGHT OR EARLY TUESDAY, OFFERED ADMIN WRITTEN REPORT ON PRC TRIP; REPORT WILL BE ADDRESSED TO DOS, WILL BE SEEN BY PRES IF DOS DECIDES CONTAINS SOMETHING THAT NEEDS BE CALLED TO FORD'S ATTENTION (CSM). WSJ STAFF REPORTER STRESSES REPORT GOING TO DOS, SPARING FORD EMBARRASSMENT OF HAVING ASK NIXON ABOUT IT. SAYS NESSEN WENT TO EXTREME LENGTHS TO POOH-POOH SIGNIFICANCE OF BOTH NIXON TRIP AND REPORT, WAS UNSURE WHEN REPORT EXPECTED.

WP'S WALSH NOTES NESSEN MADE ANNOUNCEMENT ABOUT NIXON UNCLASSIFIED

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REPORT IN ANSWER TO QUESTION, THEN SPENT MOST REST OF NEWS CONFERENCE DODGING OTHER QUESTIONS ABOUT IT. SAYS NESSEN'S REFUSAL DISCUSS ANY DETAILS OF CALL FROM SAN CLEMENTE -- POSITION DECIDED ON BY PRES' SENIOR

ADVISORS AT MEETING TUESDAY MORNING -- WAS TYPICAL OF MANNER IN WHICH WH HAS HANDLED QUESTIONS ABOUT NIXON TRIP, "POLITICAL EMBARRASSMENT" TO FORD, ATTEMPTING PUT

MUCH DISTANCE AS POSSIBLE BETWEEN ITSELF, NIXON.

NYT'S NAUGHTON SAYS NESSEN DISCLOSED NIXON'S PLANNED PRC REPORT WITH GINGERLINESS THAT SERVED STRESS FORD DISPLEASURE OVER POLITICAL COMPLICATIONS NIXON PRC TRIP CAUSED. DETECTS SOME EMBARRASSMENT AT WH THAT NIXON HAD SENT WORD THERE OF HIS REPORT. NOTES NESSEN, WHEN ASKED WHETHER ANY CATEGORY WH OFFICIAL LOWER THAN 'FUNCTIONARY' TO WHICH NIXON CAMP MESSAGE MIGHT HAVE BEEN DIRECTED, REPLIED, 'FLUNKY.'

SUN'S DOBBIN SEES NESSEN COMMENTS POINTEDLY PLAYING DOWN ANY POSSIBLE SIGNIFICANCE IN NIXON OFFER OF WRITTEN REPORT. SAYS WH REACTION ILLUSTRATED ADMIN RESENTMENT AT HAVING THRUST UPON IT, IN MIDST PRIMARIES, UNWELCOME REMINDER OF NIXON, WHOSE PARDONING MAY HAVE BEEN MOST UNPOPULAR ACTION YET TAKEN BY FORD. CONCLUDES WH HAS EVIDENTLY DECIDED TRY IGNORE BOTH NIXON, HIS REPORT.

NYDN'S HEALY SEES WH APPARENTLY RESOLVING 'MINI-FLAP' OVER HOW ADMIN ILL FIND OUT WHAT NIXON FOUND OUT IN PRC OY DECIDING PRES MAY OR MAY NOT FIND OUT -- DEPENDING ON DOS EVALUATION. SAYS WITH REPORTERS PRESSING FOR MORE LIGHT ON WH "HOT POTATO HANDLING" OF NIXON TRIP, NESSEN CLUNG TO OFFICIAL LINE THAT JOURNEY WAS JUST ANOTHER EXCURSION BY ORDINARY AMCIT.

REUTER (HK) CITES PEKING RADIO REPORT THAT TENG HSIAO-PING MAY BE FORCED STEP DOWN IN CAMPAIGN MOUNTED AGAINST HIM BY MAO AND PARTY CENTRAL CMTE.

REUTER (BONN) REPORTS TWO FRG LEGISLATORS, RETURNED FROM PEKING, SAID PLA HAS EVACUATED INNER MONGOLIA UNDERGROUND UNCLASSIFIED

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DEFENSIVE SYSTEM THAT RUNS HUNDREDS OF MILES AND CAN HANDLE LIGHT TANKS, SMALL BUSES WITH EASE. CLAIMED GIGANTIC SUBTERRANEAN DEFENSE SYSTEM WOULD ENABLE CHINESE FIGHT PARTISAN WAR FOR LONG TIME (WP).

2. KOREA

TWELVE PROMINENT SKOREAN DISSIDENTS ISSUED, CIRCULATED STATEMENT SEOUL MONDAY NIGHT, ASKING ROKG RESCIND EMERGENCY DECREE, RESTORE ALL POLITICAL FREEDOMS RESTRICTED UNDER 1972 CONSTITUTION, AND REQUESTING PARK RESIGNATION.

GROUP INCLUDED FORMER PRES YUN PO SUN, KIM DAE JUNG,

HAM SOK HON. WITHIN HOURS, THREE SIGNERS BELIEVED
ARRESTED -- MRS. LEE WOO JUNG, SUCH NAM DONG, KIM KWAN SUK.

STATEMENT CALLED, "DECLARATION ON DEMOCRACY AND
NATIONAL SALVATION," READ AT RC MASS, MYONGDONG
CATHEDRAL (NYT SPECIAL, SEOUL).

3. JAPAN

WSJ SAYS LOCKHEED CLOSE AGREEMENT 'ITH SEC DISCLOSE
FUTURE, WELL AS PAST PAYOFFS. INTERIM CHAIRMAN
HAACK SAID "INAPPROPRIATE" COMMENT THIS STAGE;
CONFIRMED LOCKHEED BOARD DISCUSSED SEC PROPOSAL
SIMILAR CONSENT AGREEMENT BETWEEN SEC, UNITED BRANDS,
JANUARY, THAT BARS FUTURE SECURITIES LAW VIOLATIONS
IN FOREIGN PAYMENTS, REQUIRES FIRM DISCLOSE 'FULL
DETAILS" ANY PAYMENTS DOES MAKE. PROPOSAL ALSO SAID
REQUIRE EXAMINATION LOCKHEED BOOKS BY "OUTSIDER' CMTE,
THAT WOULD REPORT TO FIRM, SEC. WSJ NOT CLEAR WHETHER
SUCH REPORT COVERED BY DECEMBER COURT ORDER THAT GAVE
LOCKHEED RIGHT APPEAL TO COURT BEFORE SEC CAN MAKE
COMPANY DOCUMENTS PUBLIC.

HAACK, SEC CHAIRMAN HILLS DUE TESTIFY WEDNESDAY, BEFORE
SEN BANKING CMTE (WSJ).

SEC OFFICIALS SAID TUESDAY PREPARED GIVE GOJ INFO IT
HAS ON ALLEGED LOCKHEED BRIBES. SEC GOT MORE SPECIFIC
UNCLASSIFIED

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DATA, UNDER FEDERAL COURT SUBPOENA, BUT JUDGE MUST
APPROVE BEFORE RELEASED TO GOJ. SEC SPOKESMAN CONFIRMED
HILL'S COMMENTS, REPORTED NYT TUESDAY (REUTER, GLOBE)

LDP, OPPOSITION PARTIES AGREED TUESDAY HOLD THIRD-ROUND
DIET CMTE HEARINGS ON LOCKHEED CASE, SOON AS TWO
AMCITS, LOTCHIAN, KATAYAMA, ACCEPT SUBPOENA. SOURCES
SAID CMTE WOULD ALSO QUESTION TWO INVALIDS, KODAMA, TARO
FUKUDA, AT BEDSIDE, AND SIX BUSINESSMEN ALREADY QUESTIONED,
KENJI OSANO, ANA EXECS OBA, WAKASA, THREE MARUBENI EXECS,
HIYAMA, OKUBO, ITOH (UPI, JOC).

MARUBENI CHAIRMAN HIYAMA RESIGNED WEDNESDAY. SPOKESMAN
SAID FIRM WOULD RETAIN HIM AS ADVISOR. MARUBENI PRES
MATSUO TOLD PRESS FIRM WOULD HONOR EXISTING CONTRACT
WSM WITH LOCKHEED, FOR SAKE CLIENTS JAPAN, BUT WOULD
NOT SIGN NEW CONTRACTS (REUTER, TOKYO).

JAMESON (LAT 3/2) REVIEWS CONFLICTING DIET CMTE TESTIMONY
BY ANA EXECS OBA, WAKASA, ON DC-10 OPTION. NOTES OBA'S
TEETH CHATTERED UNDER TENSION OF SIDE-BY-SIDE INTERRO-
GATION WITH WAKASA. REVIEWS PLOT DISCREDIT, OUST HIM

DESCRIBED BY OBA, TO BREAK HIS POWER SELECT AIRBUS ANA WOULD BUY.

NOTES OBA TESTIFIED PLOT INVOLVED FORMER LDP DIETMAN AKIRA SUZUKI, LDP DIETMEN KEN HARADA, BUICHI OISHI.

RADICAL EAST ASIA ANTI-JAPANESE ARMED FRONT BOMB KILLED TWO, INJURED 85, IN LOBBY HOKKAIDO PREF OFFICE RUSH HOUR TUESDAY MORNING. SETS OFF FEAR MORE INCIDENTS. POLICE SAY WAS TIME-BOMB, STEP UP NATIONWIDE PRECAUTIONS AGAINST TERRORISM (AP, GLOBE, NYDN, PHINQ). SUN CARRIES PHOTO BLASTED LOBBY.

SAAR (WP) SAYS BOM0 DETONATED 9:03 AM, AS HUNDREDS CIVIL SERVANTS ARRIVED WORK. SAYS ANONYMOUS CALLER TO NEWSPAPER FOUR HOURS LATER GAVE TIP ON NOTE CLAIMING RESPONSIBILITY IN NEARBY SUBWAY STATION LOCKER.

ANDERSON/WHITTEN (WP) REPORT USAF FOR YEARS EXTRACTED INTELLIGENCE FROM DUST, GARBAGE, EVEN TOILET WASTE OFF UNCLASSIFIED

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SOV PLANES. STATE CAN REVEAL UNIQUE OPERATION NOW, BECAUSE SOV KNOWS, SOMETIMES DOES SAME WITH REFUSE FROM US PLANES. NOTE USAF RECRUITED UNEMPLOYED JAPANESE INTELLIGENCE SPECIALISTS ABLE WANGLE GROUND CRE' JOB, COLLECT SAMPLES FROM SOV PLANES LANDING TOKYO INTERNATIONAL AIRPORT.

CULLISON (JOC) SAYS CHINESE DEL DUE ARRIVE TOKYO WITHIN WEEK. WILL DISCUSS POSSIBLE JOINT DEVELOPMENT OFFSHORE OIL IN GULF POHAI, ACCORDING JAPAN PETROLEUM DEVEL CORP PRES KURAHACHI.

MOF, BANK OF JAPAN TUESDAY SAID EXPORTS SHOWED SUBSTANTIAL RISE FEBRUARY FOR SECOND CONSECUTIVE MONTH. UP 22.2 PCT, TO 3.66 BILLION DOLS. PACED BY SHARP INCREASES AUTOS, COLOR TV (UPI, JOC).

KOMATSU SPOKESMAN SAID MONDAY SOV ORDERED FULLY AUTOMATED CAR BODY STAMPING PRESS LINES, WORTH 11.5 MILLION DOLS. WILL INSTALL TOGLIATTI, 33 MILES E MOSCOW (UPI, JOC).

JAPANESE SHIPPING LINES CONSIDERING SUSPENSION SERVICE TO JEDDAH, LEAST UNTIL CONDITIONS IMPROVE. REPORTED LOSING 200,000-300,000 DOLS PER SHIP SAILING, WITH PRESENT WAIT FOR LOADING, UNLOADING AT JEDDAH ABOUT 130 DAYS (JOC, TOKYO

JAL SAYS RECENTLY FLEW 74,500 LBS CHILLED BEEF SFO TO TOKYO, ON DC-8 CHARTERED BY TOSHOKU AMERICA CO, FOR SALE AT NINE MITSIKOSHI DEPT STORES.

4. INDOCHINA

SVN SAYS BROKE UP REBEL GROUP OPERATING CLOSE TO KHMER BORDER IN AN GIANG PROV, WITH ARREST 5 (AP, NYDN).

VN OFFICIALS INFORMALLY CONTACTED US, JAPANESE, FRENCH, CANADIAN OIL COMPANIES ABOUT RESUMING DRILLING S CHINA SEA, BUT PROSPECT LOOKS DIM AT MOMENT. FORD ADMIN TREATS OVERTURES COOLY, NOT EAGER GIVE OLESSING SINCE EMBARGO ON TRADE STILL IN EFFECT, THIS POLITICAL YR. FEA NOTES OIL COMPANIES WITH PREVIOUS GVN CONCESSIONS UNCLASSIFIED

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PAID FOR TECHNOLOGY, DEVELOPMENT, WILL NOT GIVE IT AWAY, WHILE VIETS PREFER HAVE SAME COMPANIES BACK. OIL COMPANY OFFICIALS ,NDICATE WOULD PROBABLY AWAIT POLITICAL SIGNAL FROM WASHINGTON BEFORE PUTTING IN FORMAL APPLICATIONS WITH FOREIGN ASSETS CONTROL BOARD FOR PERMISSION GO BACK INTO VN TO DRILL (CHITRIB SERV, JOC).

BODY MARINE KILLED EVE US EVACUATION SAIGON ARRIVES BOSTON TODAY FOR INTERMENT WOBURN, MASS (HAMILTON, GLOBE).

5. THAILAND

THAI CABINET SAYS UTAPAO AB WILL BE TURNED INTO COMMERCIAL FIELD ONCE AMERICANS GONE (REUTER BANGKOK). MANFR'S HANOVER TRUST SAYS LONDON AFFILIATE ARRANGING 100 MILLION DOL LOAN FOR RTG; PURPOSE NOT GIVEN (WSJ).

FIVE STUDENTS KILLED IN ENGINEERING COLLEGE BLAST THAT COULD HAVE BEEN CAUSED BY DYNAMITE (REUTER BANGKOK).

6. MALAYSIA/PHILIPPINES

SABAH ALLIANCE PARTY SECGEN ACCUSES PHILS OF SUPPORTING ASSASSINATION PLOT AGAINST TUN MUSTAPHA, FORMER CHIEF MINISTER SABAH (WP).

7. AUSTRALIA

REUTER SYDNEY REPORTS WHITLAM FIGHTING FOR POLITICAL LIFE DUE ALLEGATIONS ATTEMPT RAISE CAMPAIGN FUNDS FROM IRAQ FOR DEBT-RIDDEN LAOOUR PARTY. FORMER PM FACES THREAT ENFORCED RESIGNATION, DISMISSAL BY PARTY OVER IRAQI AFFAIR.

8. GENERAL

HAC ESTIMATES OVER 168 BILLION DOLS FOREIGN A-D GIVEN SINCE 1945. VN OIGGEST RECIPIENT, WITH 22.8 BILLION; OTHERS INCLUDE SK, 11.8 BILLION; ROC, 6.1 BILLION; JAPAN, 3.3 BILLION (WP).

JOC'S TELFER REPORTS IMPORTERS FURIOUS, BITTER, SINCE

RECEIVED ONLY 1-DAY NOTICE USG DROPPING DOZENS ITEMS
UNCLASSIFIED

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FROM GSP LIST. NOTES AMONG DELETED ITEMS IS NON-REPTILE
LEATHER WEARING APPARREL FROM SK, WHICH NOW REVERTS
TO 6 PCT DUTY. MENTIONS MOTOR PARTS FROM SK, TAIWAN
CAN BE IMPORTED DUTY-FREE UNTIL EXCEED SPECIFIED LIMITS.

DOD'S ABROMAWITZ TOLD HAS SUBCMTE MONDAY CLOSING BASES,
OR "SIGNIFICANTLY REDUCING" US FORCES IN EA WOULD
PRECIPITATE "STRONG AND ADVERSE REPERCUSSIONS' WITHIN
COUNTRIES AFFECTED, PROBABLY REST OF ASIA. SAID
NOTHING IN SCENE SUGGESTS PEACE IN AREA WOULD BE SERVED,
OR US INTERESTS FURTHERED, OR RADICAL ALTERATION US
MIL POSTURE (CORDDRY, SUN 3/2).

COMMENT AND ANALYSIS

9. CHINA

ROYKO (2/27) IN CDN SAYS MOST INTERESTING ASPECT OF
NIXON TRIP WAS OUTRAGE GENERATED IN D.C. WHILE
ACKNOWLEDGING NIXON'S CAPACITY FOR MALICE, ROYKO
BELIEVES NIXON MOTIVATION COULD BE NON-POLITICAL AND
PURELY PERSONAL. MOST DEEPLY HURT WERE NIXON'S FORMER
ANTI-RED SUPPORTERS.

CDN (2/29) SUPPORTS GOLDWATER VIEWS ON TRIP. QUESTIONS
NIXON'S AUTHORITY TO SPEAK FOR AMERICAN PEOPLE.
TERMS VISIT IN "APPALLINGLY BAD TASTE."

CSM NOTES CAUTION OF CHINA WATCHERS IN EVALUATING EVENTS
IN PRC RECENTLY BUT CALLS ATTENTION TO VIEW OF COHEN
(HARVARD LAW) AND OTHERS THAT STRANGE ALLIANCE BETWEEN
THE US RIGHT WING AND THE PRC IS DEVELOPING, BASED ON
COMMON OPPOSITION TO SOVIETS. PRC COULD SUFFER REAGAN
PRO-TAIWAN STANCE FOR SAKE OF LARGER CONCERN -- USSR.
FORD APPROPRIATELY TAKING TIME BEFORE CONTACTING
NIXON, BUT SUGGESTS FORD SHOULD CONTINUE MOMENTUM OF
NORMALIZATION WITH PRC SINCE IN US INTEREST TO
HAVE PRC AND USSR OFFSET EACH OTHER. WHETHER OR NOT
YOU CALL DETENTE WE STILL NEED RELAXATION OF TENSIONS
WITHOUT GIVING IN TO ANY COUNTRY'S EXPANSIONISM.

WIEDRICH IN CHITRIB SAYS NIXON TOOK TRIP TO PRC "JUST
AS THOUSANDS OF OTHER AMERICANS HAVE DONE".
UNCLASSIFIED

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DOUBTS THAT MOTIVES WERE TO EMBARRASS FORD OR
MANIPULATE FOPOL. NIXON EGO NEEDED MASSAGING.
BOTH MAO AND NIXON SHOULD HAVE EXERCISED BETTER
JUDGEMENT THAN TO HAVE PLANNED TRIP AT THIS TIME.

DOU0TS THAT CHINESE USE NIXON AS CONDUIT FOR ANTI-SOVIET VIEWS.

VON HOFFMAN IN WP ANALYZES NIXON YEARS AND NOTES GOLDWATER USED SAME LANGUAGE RE NIXON HE FORMERLLY USED FOR JANE FONDA.

AMONG CARTOONISTS: CSN'S FISCHETTE (2/28-29) SHOWS BORED HAK LISTENING TO NIXON DOS DEBRIEFING, EX-PRES SAYING-- "...AND THEN CHAIRMAN MAO HUMMED 'HAIL TO THE CHIEF' WHEN I WALKED IN..." AS NIXON AT "SAN PARDON" EXAMINES OBJECTS D' ART BROUGHT HOME FROM PRC, PAT ANSWERS PHONE, TELLS EX-PRES -- "IT'S HENRY KISSINGER -- HE WANTS TO DROP OVER AND PICK UP YOUR PASSPORT ..." (WSTAR'S OLIPHANT 3/2). AS TRUDEAU'S "AMB DUKE" MEETS MAO, TRANSLATOR RELAYS CHAIRMAN'S REMARKS AS WELCOME TO 'HIS OLD FRIEND DAVID EISENHOWER AGAIN," THEN TELLS INCREDULOUS DUKE, "I CALL THEM AS I HEAR THEM, SIR" (SUN).

CDN BEECH, IN HK (2/28-29), QUOTES CHINA ANALYSTS THAT CURRENT PRC LEADERSHIP STRUGGLE LIKELY GO ON FOR MONTHS. SAYS MAIN DANGER IS COULD GET OUT OF HAND, RESULTING IN STRIKES, FIGHTING THAT MARKED 1974 ANTI-CONFUCIUS CAMPAIGN. DECLARES EXPERIENCE HAS SHOWN OIG-POSTER FORCES DON'T ALWAYS PREVAIL, AND RIGHTISTS STILL HAVE BIG GUNS. TENG REPORTEDLY RETAINS SENIOR DEPUTY PREMIER, CCP VICE CHAIRMAN, PLA CHIEF OF STAFF POSTS -- FORMIDABLE COMBINATION -- AND ALSO HAS PUT OWN MEN INTO KEY POSITIONS ALL OVER COUNTRY. RIGHTISTS SO FIRMLY ENTRENCHED, WOULD TAKE GIGANTIC EFFORT OVERTHROW THEM, ESPECIALLY IF PLA REMAINS LOYAL TO TENG.

ONE THING CLEAR IS THAT MAO, WHO HAD ENDORSED TENG AS CHOU EN-LAI SUCCESSOR, CHANGED MIND PRACTICALLY AT LAST MINUTE -- PRESUMABLY BECAUSE TENG WASN'T REVOLUTIONARY ENOUGH TO SUIT CHAIRMAN. ESSENTIALLY, FIGHT IS OVER ECON POLICY; SYMBOLICALLY, AT LEAST, CAN BE UNCLASSIFIED

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REDUCED TO PRIVATE PLOT, PRIVATE PIG -- LEFTISTS WANT ABOLISH BOTH, PRAGMATISTS CONTEND BOTH NECESSARY ECON PROGRESS INCENTIVES. LEFTISTS HAVE ENOUGH CLOUT, WITH MAO'S BACKING, TO BLOC TENG BECOMING PREMIER, BUT DIDN'T HAVE ENOUGH TROOPS TO PUT IN OWN MAN, SO MAO INTERVENED, NAMED HUA. TENG'S FAILURE WIN TOP POST -- ALTHOUGH MIGHT YET EMERGE VICTOR -- MAY VERY WELL BE DUE AS MUCH TO ABRASIVE PERSONALITY AS DOCTRINAL DISAGREEMENT. QUOTES ONE CHINA SPECIALIST THAT ALTHOUGH TENG NOT DOING ANYTHING DIFFERENT FROM CHOU, LATTER WAS STATESMAN, TENG IS BUREAUCRAT.

SUN'S ISAACS (HK) DISCERNS BASIC OUTLINES PRC INTERNAL

CONFLICT THROUGH CLOUDS OF RHETORIC IN PRESS, ON WALLPOSTERS. SAYS POSSIBILITY GPCR REPEAT CANNOT BE RULED OUT, BUT SO FAR MAOISTS HAVE GIVEN EVERY INDICATION DETERMINED KEEP CAMPAIGN UNDER STRICT CONTROL.

TENG FACTION CANNOT BE COUNTED OUT YET, THOUGH SEEMS LESS LIKELY TENG WILL BE ABLE STAGE SECOND COMEBACK. CONCLUDES CHINA-WATCHERS CAUGHT NAPPING BY OUTBREAK CURRENT CAMPAIGN BECAUSE UNDERESTIMATED MAO, WHO HAS SHOWN HIMSELF ABLE, DETERMINED BRING ABOUT TRANSITION IN WHICH NEW LEADERS WILL BE TEMPERED IN REVOLUTIONARY STRUGGLE.

YOST (WP) DEPLORES EVIDENCE AMERICANS FIND IT ALMOST IMPOSSIBLE UNDERSTAND SOVIET, SOVIET UNDERSTAND US, BOTH UNDERSTAND CHINESE, OR CHINESE UNDERSTAND EITHER.

NOTES SINO-SOVIET EXCHANGED INSULTS WITHIN LAST WEEK OR TWO, WHILE CHINESE DEMONSTRATED MISUNDERSTANDING US PUBLIC OPINION IN CONSPICUOUS HOSPITALITY TO NIXON. MEANWHILE, USG HAS BEEN TOO COMPLACENT IN SUPPOSING PRESENT STATE RELATIONS WITH PEKING TOLERABLE INDEFINITELY TO PEKING, SIMPLY BECAUSE CONVENIENT TO US. NIXON RESURRECTION RATHER STRONG SIGNAL TO CONTRARY; IF WE DISREGARD IT, NEXT SIGNAL MAY BE STRONGER.

JOC'S STRAUSS, IN HK(3/2), REVIEWS PEKING'S FIGHT AGAINST "CAPITALIST ROADERS." SAYS TENG MUST HAVE THOUGHT COULD UNCLASSIFIED

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GO FASTER WITHOUT MASSIVE IDEOLOGICAL STUDY. CHOU COULD HAVE TAKEN THAT STEP, BUT TENG DID NOT HAVE CHOU PRESTIGE -- AND SHOULD PERHAPS HAVE KNOWN BETTER. SPECULATES NIXON MAY HAVE HEARD MORE OF STORY IN PRIVATE TALKS WITH CHINESE LEADERS.

LAT'S KRIER (2/29) FINDS PRC VISA POLICY "IHSCRUTABLE," NOTING PERHAPS ONE OF EVERY 100 AMERICANS WHO APPLIED HAS BEEN ABLE TOUR COUNTRY. NO ONE SEEMS ABLE DETERMINE, FOR INSTANCE, WHY NATIONALLY DISTINGUISHED GROUP SCHOLARS SPECIALIZING IN CONTEMPORARY CHINESE HISTORY MAY BE TURNED DOWN, WHILE GROUP OF FRESNO FARMERS WINDS UP ON "WHOOPEE TOUR," WEARING 10-GALLON HATS, "HOWDY, MA'AMING" CHINESE FROM SHANGHAI TO PEKING. PERHAPS ONE OF EASIEST MEANS VISITING PRC IS TO BE MERCHANT WITH LEGITIMATE BUSINESS TO TRANSACT WITH CHINESE, ESPECIALLY AT CANTON FAIR; BUT TO SEE MORE THAN BUSINESSMAN'S PRC, SEEMS TO TAKE CONSIDERABLE PURPOSE, PERSISTENCE, LUCK.

BOSTON RED SOX PITCHER OILL LEE RECENTLY VISITED PRC, PAID OWN WAY, PAPER WORK ARRANGED BY NY UNDERGROUND

PUBLICATION. ACCOMPANIED BY WASHINGTON REDSKIN TACKLE, GEORGE STARK. LEE SAYS CHINESE HIGHLY ORGANIZED IN SPORT, HIGHLY SKILLED IN EVERYTHING ATHLETIC, THEIR GYMNASTS SUPERB. FOUND CHINESE SKILLED AT BASKETBALL, TABLE-TENNIS, BUT EVERYTHING THERE POLITICALLY MOTIVATED(ELDERKIN, CSM).

JAPAN

10. JAPAN

,- ER DRUCKER (WSJ 3/1) FINDS DEMOGRAPHICS POSE MOST SERIOUS CHALLENGE TO JAPAN'S TRADITIONAL POST-WAR POLICIES, NOT POLITICS, ECONIMICS. GOVT, BUSINESS, LABOR LEADERS NOT POLITICS, ECONIMICS. GOVT, BUSINESS, LABOR LEADERS MET DURING RECENT TRIP SAY WORST YET TO COME, VOICE DEEP CONCERN ABOUT LABOR SHORTAGE LOOMING TOMORROW, WELL AS TRAUMATIC UNEMPLOYMENT TODAY. EXPLAINS NUMBER YOUNG REACHING WORKING AGE OVER NEXT 20 YEARS 40 PCT FEWER THAN DURING 60'S, MANY MORE WILL GO ON TO HIGHER EDUCATION IN PREFERENCE TAKING JOBS, WITH OBVIOUS MANPOWER UNCLASSIFIED

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IMPLICATIONS FOR INDUSTRY. CONCLUDES WHATEVER COURSE TAKEN, DEMOGRAPHY -- NUMBER OF PEOPLE, WELL AS THEIR EDUCATION -- WILL BE KEY, IF NOT CONTROLLING FACTOR, IN DOMESTIC ECONOMY, AND JAPAN'S POSITION IN WORLD ECONOMY.

CULLISON (JOC 3/1) REVIEWS PRIVATE INDUSTRY DISPUTE WITH MIKI GOVT OVER RECOVERY RATE, CONCLUDES GOJ MAY FIND "EMBARASSINGLY NECESSARY" REVISE DOWNWARD 5.6 PCT GROWTH FORECAST FOR JFY 76. SHOULD COME AS SURPRISE TO EPA DIRGEN TAKEO FUKUDA, ALREADY FORCED ADMIT ERROR OF PREDICTION RECESSION BOTTOMING OUT MARCH LAST YEAR. NOW MAINTAINS REALLY BOTTOMED OUT DECEMBER, AND FUKUDA CONFIDENT ABOUT OPTIMISTIC PREDICTION STRONG RECOVERY STARTING APRIL. NOTES MANY PRIVATE SECTOR ECONOMISTS, BANKERS, BUSINESSMEN DISAGREE, INCLUDING KEIDANREN CHAIRMAN TOSHIO DOKO.

ASSESSING IMPACT LOCKHEED SCANDALS ON PUBLIC, OKA (CSM) IN TOKYO CITES VETERAN NEWSMAN WHO SAYS PEOPLE ANGRY, BUT NOT YET CYNICAL. REMINDS PAST SCANDALS TYPICALLY INVOLVED BUSINESS LINK TO CONSERVATIVE POLITICIANS, MOST OF WHICH ENDED WITH NO CLEAR-CUT FIXING RESPONSIBILITIES. NOTES PUBLIC MOOD DIFFERENT THIS TIME DETERMINED GET TO BOTTOM OF ALLEGATIONS. THUS SEES GREATER "POTENTIAL" FOR DISASTER FOR CONSERVATIVE RULE. SENSES 'FATALISTIC DESPARATION" AMONG LDP DIETMEN, WHO FEAR INDISCRIMINATE DISCLOSURE COULD HURT INNOCENT, WELL AS PUNISH GUILTY. SEES OPPOSITION "HAVING FIELD DAY", EVEN THOUGH AIRING SCANDAL, POSSIBLE DESTRUCTION LDP, WILL NOT NECESSARILY BENEFIT THEM. STATES ALTERNATIVE TO PRESENT LDP GOVT COULD BE FORMED "ONLY AFTER GREAT

DIFFICULTY," THUS JAPANESE POLITICS COULD FACE PERIOD
GREAT INSTABILITY BEFORE NEW EQUILIBRIUM FOUND.

MALCOLM (NYT), IN MABORI SEA HEIGHTS, EXAMINES ;DONUT
PHENOMENON" OF NEW RINGS SUBURBAN HOUSING AROUND MAJOR

CITIES ALL OVER JAPAN, SIMILAR TO US.

SANDY VANOCUR (WP), IN TOKYO, FINDS MOST COMMON WORDS ON
TV THESE DAYS NEED NO INTERPRETATION -- "LOCKHEED,"
UNCLASSIFIED

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,PEANUTS." ALSO HEARS MANY OTHER FOREIGN WORDS LIKE,
"TIME-SLOT," "COST-PER-THOUSAND" AROUND COMMERCIAL TV.
BUT HEARS LESS FOREIGN COMMERCIAL JARGON AT NHK, ENORMOUS
SYSTEM THAT NEWSWEEK'S KRISHER ONCE CALLED "BEST PUBLIC
TELEVISION ORGANIZATION IN THE WORLD."

11. GENERAL

CSM (3/2) BIDS FAREWELL TO DOS'S RANKING FAR EAST, MID
EAST EXPERTS, INGERSOLL AND SISCO, AS THEY STEP DOWN
TO RETURN PRIVATE LIFE. DOUBTS MOVES PRESAGE EARLY
DEPARTURE HAK, WHO, SOURCES SAY, HAS DECIDED STAY ON AT
LEAST THROUGH ELECTION. BUT EVEN WITH VETERAN SECSTATE
AT HELM, CONCLUDES FOGGY BOTTOM WILL NOT BE SAME KISSINGER

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Review Date: 14 JUN 2004
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Subject: MARCH 4 EA PRESS SUMMARY
TAGS: PFOR, XC, US
To: ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
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